

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 1264-01
BILL NO. HB 396
SUBJECT: Health Care Professionals; Licenses - Professional
TYPE: Original
DATE: March 7, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Ionizing Radiation Technology	(\$50,891)	\$401,235	(\$243,405)
PR Fees	(\$50,891)	\$50,891	\$0
Various Board Funds	\$0	\$42,365	\$43,636
Total Estimated Net Effect on <u>All</u> State Funds	(\$101,782)	\$494,491	(\$199,769)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses

This fiscal note contains 6 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development (DED)-Division of Professional Registration (DPR)** assume the proposed legislation would result in the potential for 6,384 licensees. This is based on the number of Missouri members eligible for licensure listed on the registry of the American Registry of Radiologic Technology.

The projected revenue reflects a \$100 fee for all categories of licensure. The fees have been set at a level sufficient to produce revenue to fund the estimated expenditures. In addition, a 3% growth rate has been estimated.

It is assumed the Ionizing Radiation Technology Fund would reimburse the PR Fees Fund for all expenses paid by the PR Fees Fund.

DPR is requesting an additional 2.5 FTE to carry out duties generated by this proposal. The additional employees would include a 1.0 Principal Assistant (1.0 FTE at \$48,240 per year) to serve as senior executive officer of the board, a 1.0 Licensure Technician II (1.0 FTE at \$24,492 per year) to provide technical support directly to the Principal Assistant and the Board and to be responsible for processing applications for licensure, as well as responding to any inquiries relating to the licensure law or rules and regulations, a .5 Account Clerk II (.5 FTE at \$11,592 per year) to provide support for the Division's Central Accounting Section and the Central Cash Receiving Room. The Central Accounting Section provides the following services to all of the Division's Administrative boards: payroll; expense accounts; personnel; process warrants; purchasing; inventory; financial statements; budgeting; reconciliations; etc. The Central Cash Receiving Room provides the following services to all of the Division's boards: process renewals; scan all mail received; deposit all funds received; name and address changes; etc..

DPR notes that 500 square feet of office space are needed for these employees at a cost of \$6,570 annually. **Oversight** assumes the employees will be located in existing offices and has not reflected this cost in the fiscal impact.

It is assumed the Board would meet four times per year for two days each. Per Diem costs would be \$3,600 per year and associated travel costs (mileage, lodging and meals) would be \$12,101 per year.

DPR has based postage and printing costs on the actual FY 00 usage for a board of similar size and type and has estimated costs in FY 02 to be \$39,517 and \$20,000 in subsequent years. Additional costs would be incurred the first year for statute and rule mailings to applicants and for first year start up printing of rules and applications. Office and communication expenses and equipment are based on estimated existing costs within the Division.

ASSUMPTION (Continued)

Based on FY 00 complaints for an agency of similar size and type, DPR officials assume there would be 145 complaints filed each year, with an estimate of 30% of the complaints requiring investigation, resulting in 43 investigations. It is estimated that an average investigation would require approximately 30 hours of field work and would be handled by in-house staff and board members. However, if it would be necessary to contract with outside professional experts, additional funding for expense and equipment would be needed. Travel costs to conduct the investigations are estimated at \$10,965 annually. However, it is assumed the complaints and investigations would not start until FY 04.

It is assumed that existing staff would design, program, and implement a computer licensure program. However, if costs are higher than anticipated, further monies would be required.

Also, it is assumed the Board would utilize a nationally standardized examination. However, if the Board should elect to develop its own examination, costs for such an examination range from \$10,000 to \$50,000.

It is assumed the Office of the Attorney General (AGO) would provide approximately 60 hours of assistance per year with rules, opinions and meetings. Based on an hourly cost of \$60.87 the annual total would be \$3,652. Also, it is estimated that 25% of the investigations (11 cases) would be forwarded to the AGO for further action. Based on a cost of \$5,400 per case, the annual cost would be \$59,400. However, it is assumed there would not be any cases until FY 04.

The Committee will be required by the Division of Professional Registration and the Department of Economic Development to reimburse agencies for their share of administration costs based on the percentage of licensees served. The 6,384 licensees added by this proposal will be 1.99% of the licensees served by the Division, and will result in total reimbursements from the fund of \$42,365. **Oversight** assumes this cost will offset expenses paid by other board funds, and will be realized beginning in FY 2003.

Officials from the **Office of the Secretary of State (SOS)** assume the proposed legislation would require the printing of additional pages in the *Missouri Register* and the *Code of State Regulations* and have estimated a publishing cost of \$1,446 for FY 01. Additionally, future costs are unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

While this bill alone would not require SOS to acquire additional staff, SOS assumes the cumulative effect of other bills that require rulemaking may, in the aggregate, necessitate additional staff.

Assumption (Continued)

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriations process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Office of the State Treasurer (STO)**, **Office of Administration - Administrative Hearing Commission (AHC)**, **Department of Revenue (DOR)** and the **Office of State Courts Administrator (CTS)** assume the proposed legislation would have either minimal or no fiscal impact on their agencies.

Officials from the and the **Office of the Attorney General (AGO)** did not respond to the fiscal note request, but Oversight assumes the proposal would not result in a fiscal impact for their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
IONIZING RADIATION TECHNOLOGY FUND			
<u>Income-Division of Professional Registration (DPR)</u>			
Licensure Fees/Renewals	\$0	\$638,400	\$19,152
<u>Costs-DPR</u>			
Transfer to PR Fees Fund	(\$50,891)	(\$237,165)	(\$262,557)
ESTIMATED NET EFFECT TO IONIZING RADIATION TECHNOLOGY FUND	<u>(\$50,891)</u>	<u>\$401,235</u>	<u>(\$243,405)</u>

FISCAL IMPACT - State Government (Continued)

PR FEES FUND

Income-Division of Professional Registration (DPR)

Transfer from Ionizing Radiation
 Technology Fund

\$0 \$288,056 \$262,557

Costs-DPR

Personal Service (2.5 FTE)/Per Diem
 Fringe Benefits
 Expense and Equipment
 Other Costs/AGO Costs

(\$3,600) (\$92,193) (\$94,408)
 (0) (27,242) (27,923)
 (12,101) (69,850) (47,599)
 (35,190) (47,880) (0)

Total Costs - DPR

(\$50,891) (\$237,165) (\$262,557)

**ESTIMATED NET EFFECT TO
 PR FEES FUND**

(\$50,891) \$50,891 \$0

Savings-DPR

Other Fund Costs

\$0 \$42,365 \$43,636

FISCAL IMPACT - Local Government

FY 2002 FY 2003 FY 2004
 (10 Mo.)

\$0 \$0 \$0

FISCAL IMPACT - Small Business

This proposal would be expected to have a direct fiscal impact on small businesses.

DESCRIPTION

This proposal would establish within the Division of Professional Registration the Board of Ionizing Radiation Technology. The bill contains provisions pertaining to the make-up of the Board, compensation of members, nomination and appointment procedures, terms of members, and meetings of the Board. The Board would be required to establish standards for licensure, promulgate rules for the operation of the Board, establish accreditation of schools and courses for radiation technology, and establish the appropriate continuing education for license renewal.

The division is responsible for staffing the board, giving board-certified examinations, issuing certificates, establishing and collecting reasonable fees, notifying licensees of renewal dates, refusal and revocation of certificates, and the filing of complaints.

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DESCRIPTION (Continued)

The bill creates within the state treasury the Board of Ionizing Radiation Technology Fund. All fees collected by the board will be placed in the fund. All expenses of the board and its employees will be paid from the fund, subject to appropriation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements..

This proposal would affect Total State Revenues.

SOURCES OF INFORMATION

Department of Economic Development - Division of Professional Registration
Office of the Secretary of State
Office of the State Treasurer
Office of Administration - Administrative Hearing Commission
Office of State Courts Administrator
Department of Revenue

DID NOT RESPOND

Office of the Attorney General

A handwritten signature in black ink, appearing to read "Jeanne Jarrett".

Jeanne Jarrett, CPA
Director
March 7, 2001